

## AMENDMENT NO. 1 TO ASSET PURCHASE AGREEMENT

This Amendment No. 1 to Asset Purchase Agreement (the "Amendment") is made and entered into as of October 5, 2010 by and between CARITAS CHRISTI, a Massachusetts not-for-profit corporation ("Renewal Systems") and STEWARD HEALTH CARE SYSTEM LLC, a Delaware limited liability company ("Purchaser").

### RECITALS

A. Renewal Systems and certain of Renewal Systems' affiliated entities (collectively, the "Sellers") and Purchaser have entered into that certain Asset Purchase Agreement dated as of March 19, 2010 (the "Agreement") pursuant to which Purchaser has agreed to acquire from the Sellers the Purchased Assets, and to assume from the Sellers the Assumed Liabilities.

B. The Sellers and Purchaser desire to amend the Agreement to address certain matters that have arisen since the Execution Date of the Agreement.

C. Section 11.14 of the Agreement authorizes Renewal Systems to amend the Agreement on behalf of the other Seller entities to the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Amendment, and for their mutual reliance, the parties hereto agree as follows:

1. Defined Terms. Except to the extent it is specifically indicated to the contrary in this Amendment, defined terms used in this Amendment shall have the same meanings as in the Agreement.

2. Section 1.6. Subject to and contingent upon the full and complete satisfaction of the conditions precedent set forth in Section 8 hereof, and unless this Amendment is otherwise terminated in accordance with Section 9 hereof, Purchaser and Sellers agree that the Agreement shall be amended as follows:

(a) The phrase "within a total range between \$430 million and \$450 million" contained in Section 1.6(a) of the Agreement shall be deleted in its entirety and replaced with the phrase "within a total range between \$430 million and \$495 million".

(b) Schedule 1.6(a) of the Agreement shall be deleted in its entirety and replaced with the Schedule 1.6(a) attached to this Amendment.

3. Section 1.1(a). Purchaser and Sellers agree that the definition of “Fundamental Transaction” in Section 1.1(a) of the Agreement shall be amended as follows:

(a) The word “and” before subclause (e) of the definition shall be deleted and the following provisions shall be added after the end of such subclause (e): “(f) the sale, transfer, lease, or assignment of all or substantially all of the assets of any of the Acute Care Hospitals to any third party; (g) the sale of any interests representing more than 50% of the voting interest in any Steward affiliate operating any of the Acute Care Hospitals to any third party; and (h) any reorganization, merger, consolidation, business combination, share issuance, or other transaction involving any Steward affiliate operating any of the Acute Care Hospitals as a result of which Steward or its affiliates does not hold more than 50% of the voting securities of the resulting or surviving entity.”

4. Section 8.10. Purchaser and Sellers agree that Section 8.10 of the Agreement shall be amended to add the following sentence at the end of the section: “To the extent not already required by such policies, Purchaser shall comply with the Recommended Hospital Debt Collection Practices set forth in the Attorney General's Community Benefit Guidelines for Non Profit Hospitals.”

5. Section 8.12. Purchaser and Sellers agree as follows:

(a) Section 8.12 of the Agreement shall be deleted in its entirety and replaced with the following:

“From the Closing Date until the fifth anniversary of the Closing Date, Purchaser agrees not to close any of the Acute Care Hospitals, limit their general purpose, or close or decrease any Inpatient Behavioral Health Services at any of the Acute Care Hospitals, provided that, starting on the third anniversary of the Closing Date, the Purchaser may close, limit the general purpose of, or close or decrease any Inpatient Behavioral Health Services located at any of the Acute Care Hospitals if such Acute Care Hospital meets the criteria set forth on Schedule 8.12.”

(b) Schedule 8.12 shall be included in the Agreement, in the form attached to this Amendment.

6. Additional Provisions. Purchaser and Sellers agree that the Agreement shall be amended by adding the following new Sections 8.16, 8.17, and 8.18 after Section 8.15:

“Section 8.16 Regulatory Cooperation. Purchaser or any Affiliate of Purchaser, for and with respect to any Massachusetts hospital owned or operated by Purchaser or any Affiliate of Purchaser shall, notwithstanding its for-profit status, fully cooperate with any investigation, inquiry, study, report, or evaluation conducted by the Massachusetts Attorney General under her office's oversight authority of the non-profit charitable hospital industry to the same extent and subject to the same protections and privileges as if such Purchaser or Affiliate of Purchaser were a public charity.

Section 8.17 Obligations of Successors. In connection with any Fundamental Transaction described in sections (b) through (h) of the definition thereof, Purchaser or any Affiliate of Purchaser, as applicable, shall require, as a condition of such Fundamental Transaction, that any successor in interest to Purchaser or any Affiliate of Purchaser abide by the terms and conditions of Sections 8.9, 8.10, and 8.16 hereof, and consent to the right of the Massachusetts Attorney General to enforce such provisions.

Section 8.18 Other Acquired Hospitals. In addition to the obligations set forth in Section 8.9 and 8.10 hereof, any Massachusetts hospital acquired by Purchaser or any Affiliate of Purchaser from any for-profit entity shall, at a minimum, comply with the community benefit and indigent and low income care obligations that such hospital is committed to at the time of its acquisition by Purchaser or any Affiliate of Purchaser.”

7. Section 11.4. Purchaser and Sellers agree that the first sentence of Section 11.4(b) of the Agreement shall be deleted in its entirety and replaced with the following:

“Each Party agrees that any suit, action or proceeding brought by such party against the other in connection with or arising from this Agreement (“Judicial Action”) shall be brought solely in the courts of the Commonwealth of Massachusetts, and each party consents to the jurisdiction and venue of such courts.”

8. Conditions Precedent. The effectiveness of Section 2 hereto and the respective obligations of each of Purchaser and the Sellers thereunder shall be subject to and contingent upon the full and complete satisfaction, as determined by Purchaser in its sole discretion, of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing:

(a) The component of the Purchase Consideration described in Item 2 of Schedule 1.6(a) of the Agreement (described therein as “Total Liabilities – Pension”) (the “Pension Liabilities”) shall in no event be greater than \$276 million without the consent of the Purchaser in its sole discretion, and Purchase Consideration shall exceed \$450 million solely as a result of the Pension Liabilities exceeding \$231 million.

(b) The Closing shall have occurred on or before October 31, 2010.

9. Effectiveness of Amendment. Notwithstanding any provision to the contrary contained in this Amendment, in the event the Closing does not occur on or before October 31, 2010, the effectiveness of the amended provisions set forth in Section 2 of this Amendment shall automatically terminate and thereafter be of no further force or effect, in which case the terms of each of Section 1.6(a) of the Agreement and Schedule 1.6(a) of the Agreement which were in effect immediately prior to the execution of this Amendment shall then be in full force and effect.

10. Effect on Agreement; General Provisions. Except as set forth in this Amendment, the terms and provisions of the Agreement are hereby ratified and declared to be in full force and effect. This Amendment shall become effective upon its execution, which may occur in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Captions and paragraph headings are used herein for convenience only, are not a part of this Amendment or the Agreement as amended by this Amendment and shall not be used in construing either document. Other than the reference to the Agreement contained in the first recital of this Amendment, each reference to the Agreement and any agreement contemplated thereby or executed in connection therewith, whether or not accompanied by reference to this Amendment, shall be deemed a reference to the Agreement as amended by this Amendment.

[REMAINDER OF PAGE IS BLANK]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed in multiple originals by their authorized officers, all as of the day and year first above written.

**STEWARD HEALTH CARE SYSTEM  
LLC**

By: Lisa Gray  
Name: LISA GRAY  
Title: DIRECTOR

**CARITAS CHRISTI**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed in multiple originals by their authorized officers, all as of the day and year first above written.

**STEWARD HEALTH CARE SYSTEM  
LLC**

By: \_\_\_\_\_  
Name:  
Title:

**CARITAS CHRISTI**

By: *Ralph de la Torre*  
Name: *Ralph de la Torre*  
Title: *Pres & CEO*

**Confidential Treatment Requested**

**Schedule 1.6(a)**

### **Schedule 8.12**

During the period beginning on the third anniversary of the Closing Date and ending on the fifth anniversary of the Closing Date, Purchaser may not close any of the Acute Care Hospitals, limit their general purpose, or close or decrease any Inpatient Behavioral Health Services at any of the Acute Care Hospitals unless the Purchaser complies with any law applicable to such action and the following conditions have been met:

(1) The Acute Care Hospital shall have experienced two (2) consecutive fiscal years of negative Operating Margins, during the period beginning on the Closing Date and ending on the fifth anniversary thereof. Operating Margin shall mean the ratio of operating income to total revenue, as such terms are defined for the purposes of reporting to the Massachusetts Division of Health Care Finance and Policy, from time to time.

(2) Not less than eighteen months prior to the submission of the Closure Notice (as hereinafter defined in paragraph (3)), Purchaser shall have notified DPH, with a copy to the Massachusetts Attorney General, that the financial performance of the Acute Care Hospital for the then current fiscal year was projected to result in a negative Operating Margin. Said notice shall have contained: (i) financial statements and supporting documentation to establish the basis of such negative Operating Margin and (ii) an analysis of the impact of utilization, payer mix, and changes in labor or supply cost on the financial performance of the Acute Care Hospital and its Operating Margin. During the period subsequent to the delivery of any such notice and prior to the delivery of a Closure Notice, if any, Purchaser shall also have provided DPH with such periodic information and reports, provided not less than quarterly, as reasonably necessary to reflect (a) the financial performance of the applicable Acute Care Hospital and (b) Purchaser's then current and anticipated actions designed to address the Acute Care Hospital's financial performance, subject to confidentiality protections as may be available by law. Upon request, representatives of Purchaser shall meet and confer with the Commissioner of Public Health to discuss the Acute Care Hospital's performance, Purchaser's efforts to improve its financial performance, and to answer questions regarding the foregoing.

(3) The Purchaser shall have provided to DPH, with a copy to the Massachusetts Attorney General, written notice of Purchaser's intent to close the applicable Acute Care Hospital, limit its general purpose, or close or decrease any Inpatient Behavioral Health Services at such Acute Care Hospital (a "Closure Notice"), not less than six (6) months prior to the date upon which Purchaser intends to take such action.

For the purposes of Section 8.12 and this Schedule, the term "Inpatient Behavioral Health Services" shall mean inpatient hospital psychiatric or detoxification beds licensed or approved by DPH pursuant to 105 C.M.R. §§ 130.201, 164.133(A)(1)(a) and (b), 164.136, or 164.012(D), or by the Department of Mental Health pursuant to 104 C.M.R. § 27.03.